

**UNITED STATES DISTRICT COURT
FOR THE
SOUTHERN DISTRICT OF NEW YORK**

ROYAL INDIAN RAJ
INTERNATIONAL CORPORATION,
a Nevada corporation

Plaintiff,

- against -

DOMAINS BY PROXY, INC.,
an Arizona corporation,
WESTHOST INC.,
a Utah corporation,
BILL ZACK,
a Georgia resident,
ANN ZACK,
a Georgia resident,
DIRECT INFORMATION PVT LTD. (D/B/A DIRECTI),
an Indian business entity,
PIRADIUS NET,
a Malaysian business entity,
and
JOHN DOES 1-7, being fictitious names,
the true names of certain persons being unknown,

Defendants.

Case No. 08-CV-03445
(JGK)

AMENDED COMPLAINT

Plaintiff Royal Indian Raj International Corporation, ("RIRIC"), by its undersigned counsel, complaining of the defendants, alleges as follows:

PARTIES

1. RIRIC is a corporation duly existing under and by virtue of the laws of the State of Nevada, with a principal place of business at Suite 610, 375 Water Street, Vancouver BC, Canada.

2. Defendant Domains by Proxy, Inc. ("Proxy") is, upon information and belief, an Arizona corporation with its principal place of business at 14455 N. Hayden Rd., Suite 219,

Scottsdale, Arizona.

3. Upon information and belief, Proxy is an Internet company that offers domain privacy services through partner domain registrars.

4. Upon information and belief, Proxy is engaged in interstate commerce and provides services to customers in all States, including specifically New York.

5. Defendant WestHost Inc. (“WestHost”) is, upon information and belief, a Utah corporation with its principal place of business at 164 N. Spring Creek Parkway, Providence, Utah.

6. Upon information and belief, WestHost is a web hosting company.

7. Upon information and belief, WestHost is engaged in interstate commerce and provides services to customers in all States, including specifically New York.

8. Defendant Bill Zack is a real person and resident of the State of Georgia.

9. Defendant Ann Zack—formerly “John Doe 1”—is a real person, a resident of the State of Georgia, and, upon information and belief, the wife of Bill Zack.

10. Defendant Direct Information Pvt Ltd.—formerly “John Doe 2”—is, upon information and belief, a corporation based in Mumbai, India and does business under the name Directi (“Directi”).

11. Directi owns and operates PrivacyProtect.org, an Internet company that offers domain privacy services.

12. Upon information and belief, Directi is engaged in international and interstate commerce within the United States of America and provides services to customers in all States, including specifically New York.

13. Defendant Piradius Net—formerly “John Doe 3”—is, upon information and

belief, a corporation based in Malaysia.

14. Upon information and belief, Piradius Net is a web hosting company.

15. Upon information and belief, Piradius Net is engaged in international and interstate commerce within the United States of America and provides services to customers in all States, including specifically New York.

16. John Does 1-7 are persons whose true identities are unknown.

JURISDICTION AND VENUE

17. This court has jurisdiction pursuant to 28 U.S.C. § 1332(a)(1).

18. Venue is proper in this district pursuant to 28 U.S.C. § 1391(a)(3).

FACTS

RIRIC

19. RIRIC is a company that develops land in India for residential and commercial use.

20. RIRIC has an internationally-known name and brand identity and is recognized as a pioneer in the real estate sector in India.

21. Having been accorded overseas corporate body status by the Indian government, RIRIC is currently developing the Royal Garden Villas & Resort in Bangalore, a project involving the construction of 225 to 300 residential housing units in the first phase, to be completed in 2010, plus a hotel and an additional approximately 200,000 square feet of commercial and retail space.

22. RIRIC has current investors, as well as potential investors, and current business partners, as well as potential business partners, nationwide, including specifically in New York State.

23. RIRIC is preparing to debut several large-scale projects and for an initial public stock offering.

24. Defendant Bill Zack is a former director of communications of RIRIC.

25. Bill Zack in 2006 expressed his desire to be the president of RIRIC.

26. The owners of RIRC informed Bill Zack that he did not have sufficient qualifications to be made president of RIRIC.

27. Bill Zack's employment by RIRIC soon thereafter ended, inimically.

ROYALINDIANSCAM.COM

28. Bill Zack, defendant Ann Zack, and John Does 1-7 were the owners and operators of a Web site (the "Scam Web site") at <http://www.royalindianscam.com> (the "Scam URL").

29. The Scam URL is registered to Proxy.

30. Ann Zack is the true registrant of the Scam URL, via Proxy.

31. Upon information and belief, Ann Zack registered the Scam URL via Proxy specifically in order to keep secret her identity as the author and publisher of the content on the Scam Web site.

32. The content of the Scam Web site refers to information, some of it misstated, that would be known only by employees or former employees of RIRIC.

33. The Scam Web site was hosted by WebHost.

34. The content of the Scam Web site was and is as follows, in pertinent part, as of April 8, 2008 (underlining added):

On the page titled "HOME"...

Welcome to Royal Indian Scam, the site that exposes Royal Indian Raj International Corporation and its business practices!

Royal Indian Raj makes headlines!

Vancouver Sun columnist David Baines has been tracking Royal Indian Raj's activities for years. His latest column, published on Saturday, April 5, 2008, is featured in **RIRIC In The News**. Another column by Mr. Baines on Royal Indian Raj is featured in **RIRIC In The News Again**.

Brief overview

Royal Indian Raj International Corporation was incorporated in Nevada in 1999 and is based in Vancouver, Canada. It was founded by the father & son team of Collins and Manoj Benjamin, who promised investors that the company "intends to be India's market leader in providing state-of-the-art, multi-use development projects in India."

Investors & Customers

Unfortunately for the 300-400 investors who bought into the concept of the company as "the premier builder of quality real estate developments" in India, as well as the 100+ customers who have paid down payments on homes at Royal Indian Raj's first "property", the Benjamins have not built anything to date.

Buyer Beware!

RIRIC enticed investors for years by claiming the largest private land library in India. As it turned out, the company owns 17 acres outside Bangalore, India.

RIRIC also enticed investors by claiming that it was targeting five critical business sectors in India. In fact, the company has done nothing in any area. No road building, no e-commerce, no broadband communications, no theme parks, and certainly no real estate development.

On the page titled "RIRIC'S PRESS RELEASES"...

Truth in advertising

RIRIC has effectively used press releases to build its "international" image. Two such releases involved the announcement of a \$547 million equity line of credit from GEM (Global Emerging Markets) of New York. **Fact: RIRIC neglected to mention that it can't access the line of credit without first becoming a publicly-traded company.**

RIRIC also issued the Greenwich Group release to great fanfare in 2005. Greenwich Group is a New York-based global real estate investment banking firm that agreed to help RIRIC secure \$1 billion in financing. **Fact: After visiting RIRIC's 17 acres, Greenwich Group quietly withdrew.**

RIRIC's latest "coup" involved signing with Choice Hotels to build 15,000 budget hotel rooms across India. As part of the agreement, RIRIC would invest nearly \$4 billion over the next five years. **Fact: The company hasn't delivered a single acre of development since incorporating in 1999.**

On the page titled "PUBLIC ENTRANCE SHAM"...

Where's the public entrance?

RIRIC has been promising its investors for years that its public entrance is just around the corner. Yet, each time a proposed date arrives, the company moves it forward again. Will RIRIC ever go public?

Where's the construction?

Royal Indian Raj's first "development" is Royal Garden Villas on those same 17 acres outside Bangalore. The company boasts on its web site that the project is "85% sold out." Unfortunately, monies from customers have not been placed in an escrow account.

Also, to build a Jack Nicklaus golf course, Royal Indian Raj will need 160-200 acres. It owns 17 acres.

On the page titled "WHERE'S THE LAND?"...

The land

Through the years RIRIC has never owned more than 17 acres of land. RIRIC has signed agreements with landowners to buy land, but never followed through with the purchase. The company has also signed MOU's (Memo of Understanding) with a variety of companies around the globe. RIRIC then promotes its "alliance" with the international "partner" on its web sites and marketing literature.

On the page titled "RIRIC IN THE NEWS"...

Royal Indian Raj in the headlines!

Here is the latest column on Royal Indian Raj by Vancouver Sun columnist David Baines, who has been tracking the company's activities for years.

Company promises much, delivers little

David Baines, Vancouver Sun

Published: Saturday, April 5, 2008

The grandly named Royal Indian Raj International Corp. occupies luxurious offices on the sixth floor of The Landing in Gastown, overlooking Vancouver harbour.

The reception area is furnished with gilded Italian furniture. On a feature wall, softly washed in light, is the company's crest, along with the names of four cities where the company ostensibly operates: "New York, London, Vancouver, Bangalore."

Also adorning the walls are framed copies of articles about the company and its chairman and CEO, Manoj Benjamin: "Vancouver Tycoon to Build Asian City," says the headline on one of the stories, written by the Asian Pacific Post.

Published in October 2004, the article reported that Royal Indian Raj was set to build a \$3-billion "smart city" near the Bangalore airport.

The project, to commence in early 2005, would include 35,000 residential units, a central business district, an industrial district, an entertainment district, parks, restaurants, shopping, educational facilities and civic amenities, with a combined retail value of more than \$9 billion US when completed in 2015.

"Our goal is to develop the New India, modernizing housing and businesses and realizing a self-sustaining city of the future for this country and its inhabitants," Benjamin told the newspaper.

The company's reception area also contains a prominently displayed poster celebrating the first component of that city, the Royal Garden Villas & Resort: "Vijay Amritraj and Jack Nicklaus welcome you to India's most exclusive resort community," the poster states, referring to India's most famous tennis player and one of America's most famous golfers.

All told, Royal Indian Raj's office is the picture of affluence. But so far, that's all it is -- a picture.

There are no offices in New York and London, at least none that are listed. If they do exist, the receptionist in Vancouver refuses to provide their addresses or telephone numbers: "We don't give out any information. Absolutely not," she says.

Although more than three years have passed since the scheduled ground-breaking, nothing has been built. Investors, which include a string of Major League Baseball players, are getting restless. Two have filed lawsuits in B.C. Supreme Court.

Also, Vijay Amritraj is not quite as welcoming as the poster would suggest. More than a year ago, after making several appearances on behalf of Royal Indian Raj, he disassociated himself from the company.

"I want to go on record as saying I have no connection with this group," he told the Times of India in July 2007. "Since January [2007], I have communicated my decision several times, but they [Royal Indian Raj officials] still continue to feature me on their website. I find it tough to face questions on the progress of the project from committed customers whom I meet at airports and restaurants. This has put me in a bad light."

On the page titled "RIRIC IN THE NEWS AGAIN"...

RIRIC in the news, again!

From the Vancouver Sun

Impressive news release probably about as far as this lotto scheme will get

A bafflegab-prone Vancouver company is at it again

By David Baines

Vancouver Sun Columnist

Published March 28, 2007

Royal Indian Raj International Corp. has a very grandiose name and issues very grandiose press releases, but its real purpose has always baffled me.

Consider this corporate summary: "Royal Indian Raj International Corporation, with offices in Vancouver, London, and Bangalore, India, maintains a country-specific, five-sector heavy infrastructure orientation, focused on the free world's largest emerging market, India. The company's goal is to develop the New India by modernizing housing and businesses and realizing self-sustaining cities of the future."

According to chairman and CEO Manoj Benjamin of Vancouver, the company is now selling the first phase of an \$8-billion to \$10-billion US real estate development in Bangalore.

The project, according to Benjamin, is being financed by a \$547-million US line of credit provided by the GEM Group in New York.

Unfortunately, the company is private and does not provide any audited financial statements to confirm its financial position.

According to internal documents that I have obtained, the company relies on funding from many small investors and lives a hand-to-mouth existence, often scrambling to pay its bills.

The company also issues many news releases that serve no purpose other than to impress people who might be easily impressed.

On Monday, for example, Benjamin announced the company had "engaged the prestigious law firm of Greenberg Traurig as its lead counsel for all of its Real Estate Operations, Land Development, Hotel, Resort and Club Operations, Corporate and Securities Compliance, Franchise Operations, Entertainment and Project and Infrastructure Finance needs." (Benjamin loves to capitalize words).

But I'm not sure how all this pomp and circumstance squares with Benjamin's announcement on Feb. 28 that Royal Indian Raj had

acquired a 10-per-cent interest in Global Lottery Corp., a Vancouver company that trades on the lowly pink sheets in the United States.

"While our core business is large scale Residential, Commercial and Institutional development, we decided to invest in the Lottery Business through Global, enabling us to be in a position to ultimately bid on the national lottery for India," he explained in a release.

Neither he nor Gary Newman, the president of Global Lottery, would say how much Royal Indian Raj paid for this 10-per-cent interest.

Newman said Royal Indian Raj has extended \$250 million US of its \$547 million US line of credit to his company to finance the development of government-approved lotteries. But this will be difficult to confirm. Global Lottery – like most pink sheet companies – does not produce any audited financial statements.

Newman allowed that Global Lottery is not currently running any lotteries or generating any revenues, but he said the company will announce next month that it has secured two "major" government lotteries.

He agreed that, because he had not previously disclosed these pending deals, he was probably providing me with inside information. "I didn't mean to, but I probably am," he said.

I would normally say that Newman has landed himself in a heap of trouble, but I think the chances of these "major" deals amounting to anything are virtually non-existent and the whole thing will fade into obscurity.

On the page titled "ABOUT US"...

Fair Business Practices

We are a group of investors who feel victimized by Royal Indian Raj International Corporation. We are promoters of fair business practices. We plan to continue exposing the company's business practices. We will not stop until Royal Indian Raj makes good on its real estate development promises in India or returns all monies to its investors and customers.

ROYALINDIANSHAM.COM

35. Since the commencement of this action, WebHost voluntarily discontinued hosting the Scam Web site.

36. Thereafter, Bill Zack created a second Web site (the "Sham Web site," hardcopy attached hereto as Exhibit A) at <http://www.royalindiansham.com> (the "Sham URL").

37. The Sham URL is registered to Directi.

38. Bill Zack and/or Ann Zack registered the Sham URL via Directi specifically in order to keep secret his and/or her identity as the author(s) and publisher(s) of the content on the Sham Web site.

39. The content of the Sham Web site is substantially similar to that of the Scam Web site.

40. The Sham Web site states, *inter alia*: “Manoj Benjamin told the Asian Pacific Post in 2004 that RIRIC would be listed on a European stock exchange in 2005. This never happened.”

41. Manoj Benjamin never spoke to the Asian Pacific Post.

42. The Sham Web site states, *inter alia*: “A Times of India article on Aug. 13, 2004 states that the company claims on its web site to hold over 10,000 acres of clear-titled land in Bangalore and New Delhi. RIRIC owns nowhere near 10,000 acres of land....”

43. The Web site of RIRIC in fact has never stated that RIRIC owns 10,000 acres of land.

44. The Sham Web site states, *inter alia*: “RIRIC announced to great fanfare in February 2005 that it had secured a \$547 million equity line of credit. The company failed to disclose the fact that the equity line of credit was inaccessible until RIRIC became a publicly-traded company.”

45. The press release in which RIRIC announced the line of credit referred to in fact expressly stated that the line was dependent on RIRIC’s going public.

46. Bill Zack wrote the press release in question.

47. The Sham Web site states, *inter alia*: “RIRIC Chairman Manoj Benjamin was exposed by Vancouver Sun columnist David Baines in April 2008 as a failed businessman who

faced two charges of defrauding investors in Canada in 1996 and was an undischarged bankrupt when he incorporated RIRIC in 1999.”

48. The bankruptcy filing of Mr. Benjamin, a principal of RIRIC, was in fact a normal procedure in which the only objection to discharge filed was made by a \$10,000 creditor, which objection was disallowed by the bankruptcy court, and in which no fraud was found.

49. The Sham Web site contains numerous other misstatements of fact and instances where, notwithstanding the truth or falsity of the individual statements, the content is presented in such a way as to result in defamation of RIRIC or other implication of wrongdoing by RIRIC.

Bill Zack's Additional Activities

50. Bill Zack is a former sports reporter.

51. Bill Zack is a friend of Vancouver Sun reporter David Baines.

52. Upon information and belief, at the urging of Bill Zack, Mr. Baines wrote and caused to be published, in rapid succession in March and April 2008, a series of articles about RIRIC and its owners that contain numerous misstatements and negative implications.

53. Bill Zack immediately posted the content of Mr. Baines's articles on the Scam Web site, and more recently on the Sham Web site.

54. After the second article by Mr. Baines appeared in the Vancouver Sun, Mr. Zack phoned the offices of RIRIC to threaten that further articles were to follow.

55. Bill Zack also provided confidential information, including but not limited to contact information of RIRIC's shareholders, to Mr. Baines.

56. Mr. Baines used the confidential information provided him by Bill Zack to contact RIRIC's shareholders or some of them and give them misinformation about RIRIC.

57. Bill Zack himself also has used confidential RIRIC information to contact RIRIC shareholders, customers, and business partners, typically under false names via email, to give misinformation and/or to direct them to his Web sites.

58. Bill Zack has also attempted to harm RIRIC by turning over confidential information to RIRIC's competitors in India.

59. Bill Zack has further interfered with the business of RIRIC by, among other things, attempting to crash a private event in Bangalore, India, hosted by RIRIC, forcing RIRIC to change the event venue at the last minute.

60. Bill Zack continues to attempt to sabotage RIRIC, using improperly obtained confidential information to do so, and to cause RIRIC harm.

Harm Suffered by RIRIC

61. Besides those circumstances already mentioned, the following have occurred as direct consequences of the actions of Bill and Ann Zack and those directed by them:

- a. Purchasers in RIRIC properties to be developed have demanded refunds of as much as \$10 million;
- b. RIRIC has been forced to halt its Royal Garden Villas (Bangalore) first-phase presale efforts at an estimated loss of \$100 million;
- c. RIRIC has lost bank financing of its development projects;
- d. RIRIC has had to delay its initial public stock offering (projected to be a \$15 billion dollar undertaking);
- e. RIRIC was forced to cancel two events, expected to raise respectively \$40 million and \$60 million;

- f. RIRIC's acquisition of a 1,136-acre parcel of property has been halted; and
- g. Business partner Jack Nicklaus Group has expressed its hesitance to consummate a co-branding deal expected to generate \$1.5 billion in profit.

**AS AND FOR A FIRST CAUSE OF ACTION
INJURIOUS FALSEHOOD**

62. RIRIC repeats and realleges the allegations in paragraphs 1-61 above as if set forth fully hereat.

63. The defendants intentionally published the foregoing Web site content, which contains false information, maliciously or with reckless disregard for truth or falsity.

64. The portions underlined in particular contain false information, but nonetheless the content as a whole presents RIRIC in a false light.

65. The defendants' acts have held RIRIC up to public contempt, ridicule, disgrace, and prejudice, and RIRIC has consequently been irreparably injured in its good name, business reputation, and standing and has lost the esteem and respect of its business associates, potential investors, customers, and trade partners and of the public generally, internationally, nationally, and in New York State in particular.

66. By reason of the foregoing, RIRIC has suffered damages in an amount to be determined upon the trial of this action.

**AS AND FOR A SECOND CAUSE OF ACTION
DEFAMATION BY IMPLICATION**

67. RIRIC repeats and realleges the allegations in paragraphs 1-61 above as if set forth fully hereat.

68. The defendants intentionally published the foregoing Web site content, which, notwithstanding the truth or falsity of any discrete statement therein, as a whole presents false suggestions, impressions and implications.

69. The defendants' defamation of RIRIC by implication has held RIRIC up to public contempt, ridicule, disgrace, and prejudice, and RIRIC has consequently been irreparably injured in its good name, business reputation, and standing and has lost the esteem and respect of its business associates, potential investors, customers, and trade partners and of the public generally, internationally, nationally, and in New York State in particular.

70. By reason of the foregoing, RIRIC has suffered damages in an amount to be determined upon the trial of this action.

**AS AND FOR A THIRD CAUSE OF ACTION
TORTIOUS INTERFERENCE WITH PROSPECTIVE CONTRACTUAL RELATIONS**

71. RIRIC repeats and realleges the allegations in paragraphs 1-61 above as if set forth fully hereat.

72. RIRIC is actively soliciting business customers and investors, through its own online presence and otherwise.

73. Upon information and belief, the defendants, having knowledge of RIRIC's prospective business relationships, intentionally interfered with them through the Web site and the content published thereon and otherwise, as described above.

74. Upon information and belief, the defendants acted as hereinbefore described with the sole purpose of harming RIRIC or, failing that level of malice, used dishonest, unfair, or improper means to cause injury to RIRIC's prospective business relationships internationally, and nationally, including in New York State specifically.

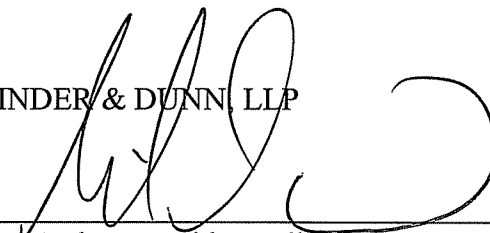
75. By reason of the foregoing, RIRIC has suffered damages in an amount to be determined upon the trial of this action.

WHEREFORE, the plaintiff prays for a judgment:

- a. enjoining permanently the defendants, their agents, successors, employees, attorneys, and those acting in concert with them at their discretion from defaming the plaintiff, including by implication, and from interfering with the plaintiff's current contractual and prospective economic relations;
- b. awarding to the plaintiff damages in an amount to be determined at trial;
- c. awarding to the plaintiff punitive damages;
- d. awarding the plaintiff reasonable attorney's fees and the costs of this action; and
- e. granting such other and further relief as may be proper.

Dated: New York, New York
July 7, 2008

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